

After recording, please return to: Amy
H. Bray, Esq.
Coulter & Sierra, LLC
2800 Century Parkway, Suite 275
Atlanta, Georgia 30345
1610.03

**THIRD AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR ROYAL LAKES SUBDIVISION**

THIS THIRD AMENDMENT (hereinafter referred to as "Amendment") is made this 10th day of March, 2020 by **ROYAL LAKES PROPERTY OWNERS ASSOCIATION, INC.**, a Georgia nonprofit corporation (hereinafter referred to as the "Association").

WITNESSETH

WHEREAS, that certain Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, was recorded on August 4, 1989 in Deed Book 1373, Page 194, *et seq.*, Hall County, Georgia records; as supplemented by that certain Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision recorded on December 21, 1989, in Deed Book 1421, Page 134, *et seq.*, of the aforesaid records; as further supplemented by that certain Second Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision as recorded on March 6, 1990, in Deed Book 1446, Page 327, *et seq.*, of the aforesaid records; as further supplemented by that certain Second Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision as recorded on March 12, 1990 in Deed Book 1449, Page 78, *et seq.* of the aforesaid records; as amended by that certain Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision as recorded on July 18, 1990, in Deed Book 1495, Page 73, *et seq.* of the aforesaid records; as supplemented by that certain Third Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, as recorded on June 19, 1992, in Deed Book 1782, Page 118, *et seq.* of the aforesaid records; as supplemented by that certain Fourth Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, as recorded on July 3, 2001 in Deed Book 3927, Page 456, *et seq.* of the aforesaid records; as supplemented by that certain Fifth Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, as recorded on July 3, 2001 in Deed Book 3927, Page 462, *et seq.* of the aforesaid records; as supplemented by that certain Sixth Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, as recorded on July 3, 2001, in Deed Book 3927,

Page 14, *et seq.* of the aforesaid records; as supplemented by that certain Seventh Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, as recorded on March 20, 2006, in Deed Book 5642, Page 14, *et seq.* of the aforesaid records; as further amended by that certain Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision of Royal Lakes Property Owners Association, Inc. and Submission to the Georgia Property Owners' Association Act ("POAA"), as recorded on February 15, 2011 in Deed Book 6805, Pages 264, *et seq.* of the aforesaid records as the same was subsequently supplemented and/or amended from time to time (hereinafter collectively referred to as the "Declaration"), and

WHEREAS, the Association is a nonprofit corporation organized under the Georgia Nonprofit Corporation Code to be the Association named in the Declaration to have the power and authority set forth therein; and

WHEREAS, Royal Lakes Golf and Country Club, LLC, a Georgia limited liability company (the "Club"), is the owner of certain real property, which consists of an amenity area containing swimming and tennis facilities and related improvements; and

WHEREAS, the Association and the Club desire to enter into an agreement whereby members of the Association have the right to use and enjoy the Club's amenities and the obligation to share costs for the maintenance, operation, and ownership thereof, all as more particularly provided herein; and

WHEREAS, the Association and the Owners desire to amend the Declaration as set forth herein in order to facilitate such agreement with the Club; and

WHEREAS, pursuant to Article X, Section 2(a) of the Declaration, the Declaration may be amended with the approval of Owners holding two-thirds (2/3) of the total Association vote and no amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Hall County, Georgia land records; and

WHEREAS, pursuant to Article X, Section 2(b) of the Declaration, in addition to approval by the Owners, material amendments to the Declaration and the Bylaws must be approved by Eligible Mortgage Holders who represent at least fifty one percent (51%) of the votes of Lots that are subject to Mortgages held by Eligible Mortgage Holders; and

WHEREAS, Owners holding two-thirds of the total Association vote have approved this Amendment; and

WHEREAS, there are currently no Eligible Mortgage Holders, as such term is defined in the Declaration; and

WHEREAS, attached hereto as Exhibit "A" and incorporated herein by reference is the sworn statement of the President of the Association which sworn statement states unequivocally that the approval of the Owners of the Association holding at least two-thirds of the total Association vote was lawfully given and obtained and that any notices required by the Declaration, Bylaws, and Georgia law were given; and

WHEREAS, attached hereto as Exhibit "B" and incorporated herein by reference is the sworn statement of the Secretary of the Association which sworn statement states unequivocally that the approval of the Owners of the Association holding at least two-thirds of the total Association vote was lawfully given and obtained and that any notices required by the Declaration, Bylaws, and Georgia law were given;

NOW THEREFORE, the Association and the members thereof hereby adopt this Third Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements for Royal Lakes Subdivision, hereby declaring that all the property now or hereafter subject to the Declaration shall be held, conveyed, encumbered, used, occupied, and improved subject of the Declaration, amended as follows:

1.

The Declaration is hereby amended by adding to Article I of the Declaration (entitled "Definitions") a new Section 16 to read as follows:

Section 16. "Basic Club Amenities" means those certain recreational amenities now or hereafter owned or controlled by the Club from time to time, which may include, without limitation, one (1) or more swimming pools, tennis courts, clubhouses, restaurant and bar area, meeting facilities, retail spaces, parking, open spaces and appurtenant facilities (but expressly not including the golf course). At no time shall the Basic Club Amenities be a part of the Common Property nor shall the Basic Club Amenities be governed by the provisions of this Declaration. No Owner or Occupant nor the Association shall have any rights in and to or obligations with respect to the Basic Club Amenities except as provided in the Easement and Cost Sharing Agreement, if any.

2.

The Declaration is hereby amended by adding to Article I of the Declaration (entitled "Definitions") a new Section 17 to read as follows:

Section 17. "Club" means Royal Lakes Golf and Country Club, LLC, a Georgia limited liability company, its successors and assigns.

3.

The Declaration is hereby amended by adding to Article I of the Declaration (entitled "Definitions") a new Section 18 to read as follows:

Section 18. "Easement and Cost Sharing Agreement" means an easement and cost sharing agreement, by and between the Club, the Association and any other third-party agreed to thereby, recorded or to be recorded in the Hall County, Georgia land records, as the same may be amended from time to time, and which, in part, provides for certain easements for access, ingress, and egress over and across and use of the Basic Club Amenities in accordance with the terms thereof, and provides for continued maintenance of the improvements and the easement areas so established and sets forth certain terms and conditions for the sharing of costs with respect to the Basic Club Amenities. Any Easement and Cost Sharing Agreement shall be subject to the applicable terms and conditions set forth herein below. The Association and the members thereof shall have such rights, authority, and obligations with respect to the Basic Club Amenities as are provided in the Easement and Cost Sharing Agreement.

4.

The Declaration is hereby further amended by adding to Article XII (entitled "Certain Recreational Facilities which are not Common Property") a new Section 3 to read as follows:

Section 3. General. The Club is a private club, separate and distinct from the Association, and governed by its own rules, regulations and requirements, including, without limitation, the Operating Agreement of Royal Lakes Golf and Country Club, LLC (as may be amended from time to time, the "Club Operating Agreement"). The Basic Club Amenities are not (and are not expected in the future to be) part of the Common Property, and neither the Association nor any Owner or Occupant shall have any right, easement, or privilege in and to the Basic Club Amenities, including the right to enter upon or use the same, except as specifically provided in the Easement and Cost Sharing Agreement, if any, with respect to the Basic Club Amenities. All other terms and conditions of membership status and the rights, privileges and obligations appurtenant thereto shall be determined by the Club, as the case may be, and subject to such terms, conditions, procedures, and requirements as may be established by the Club from time to time.

The Declaration is hereby further amended by adding to Article XII (entitled "Certain Recreational Facilities which are not Common Property") a new Section 4 to read as follows:

Section 4. Easement and Cost Sharing Agreement: Authorization. The Association and the Club desire to provide for issuance of a user benefit to the Club for each Lot entitling the "Authorized User(s)" (as that term is defined below) thereof to use and enjoy the Basic Club Amenities (said user benefit hereinafter the "Community Membership") as provided herein and otherwise in accordance with the Easement and Cost Sharing Agreement and any rules and regulations promulgated by the Club from time to time in its sole discretion. The Association and the Club also desire to establish the obligation of the Owner of each Lot to pay periodic "Club Fees" (as defined below) to offset the costs of on-going maintenance, repair, replacement, operation, insurance, and ownership of the Basic Club Amenities as consideration for said Community Membership, as such Club Fees may be established by the Club from time to time in accordance with this Article, the Easement and Cost Sharing Agreement, and the Club Operating Agreement. The Association shall charge any Club Fees, assessments and charges levied with respect to the Club (for example and not limited to quarterly minimums for dining, bar services, merchandise, and event costs) as a special assessment pursuant to Section 44-3-225 of the Act, as appropriate, and shall collect such amounts concurrently with and in the same manner as collecting the Association's assessments and such amount may include interest, late charges, and costs of collection, including, without limitation, reasonable attorney's fees actually incurred, all as provided in the Declaration and the Act. The Association may assign and authorize the Club to collect only the Club Fees on behalf of the Association. The Association shall disburse the full amount of the Club's assessments and charges to the Club in accordance with the Easement and Cost Sharing Agreement.

This assessment obligation shall be enforceable by the Association, and if expressly assigned to the Club, by the Club, against each individual Lot Owner as provided in the Declaration and as further defined in section (b) of this Amendment relative to the Community Memberships. The Association, acting through the Board of Directors

and without any additional vote of the members, is hereby authorized to negotiate, execute, and deliver the Easement and Cost Sharing Agreement with terms and conditions agreed to by the Board of Directors, but subject to the following:

(a) Access and Use of Basic Club Amenities. The Easement and Cost Sharing Agreement shall provide for access, ingress, and egress over and across and use of the Basic Club Amenities subject to payment of "Club Fees" (as defined below), as applicable, and subject to compliance with the terms, conditions, procedures and requirements as may be established by the Club from time to time, including, without limitation, such rules, regulations, and operating policies as the Club may establish from time to time.

(b) Issuance of Community Membership. The Easement and Cost Sharing Agreement shall establish a Community Membership for Owners of each Lot from and after the date the Easement and Cost Sharing Agreement is recorded in the Hall County, Georgia land records or such later date as may be provided therein (hereinafter, the "Effective Date"), each Owner of a Lot shall obtain and maintain a Community Membership and pay Club Fees therefor, as applicable, for so long as said Owner holds title to said Lot until such time as title to said Lot is conveyed to any other Person. Following payment of Club Fees, the Club shall issue one (1) Community Membership for each Lot pursuant to the terms of the Easement and Cost Sharing Agreement as may be more particularly set forth below and subject to compliance with the terms, conditions, procedures and requirements as may be established by the Club from time to time, which may include, without limitation, completion and return of an Authorized User agreement or such other documentation in such form as the Club shall require, identifying each Owner of the Lot, designating the Owner in whose name the Community Membership shall be issued, and providing such information regarding the Owner(s) and other Authorized User(s) as the Club deems reasonably necessary to facilitate club operations. Owners with a Community Membership shall otherwise be afforded all of the rights and privileges of Community Membership in the Club in accordance with the Easement and Cost Sharing Agreement and Club Operating Agreement subject to payment of Club Fees and compliance with any Club procedures and policies then in effect. Owners may upgrade to one of the Club's Golf Membership packages as provided in the Easement and Cost Sharing Agreement.

Notwithstanding any other provision of this Amendment, any Owner of

multiple Lots within Royal Lakes that do not have dwellings for which a certificate of occupancy has been issued may elect to hold and gain the benefit and otherwise be subject to a Club Fee of and for only one Community Membership, instead of holding a Community Membership for each unbuilt Lot. However, upon the issuance of a certificate of occupancy for a dwelling on such an unbuilt Lot, a Community Membership shall be issued and the Club Initiation Fee payable to the Club shall come due and Club Fees shall accrue for such Lot.

(c) Rules and Regulations. The rights and privileges granted in the Easement and Cost Sharing Agreement shall be subject to such reasonable rules and regulations and such other restrictions as the Club may adopt from time to time, including without limitation, the right of the Club to charge reasonable admission and other fees for the use of certain portions of the Basic Club Amenities or to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by authorized users and their guests and invitees; provided, however, that no rules, regulations or restrictions shall be established which shall substantially impair the rights granted herein. Owners of Lots and their respective Authorized User(s) shall comply with said rules and regulations applicable to the Club and the Basic Club Amenities promulgated by the Club. In addition to any other remedy which may be available herein or under Georgia law, upon breach of the rules and regulations by a Community Membership holder or a member of their family or Authorized User thereof, the Club may suspend the right of such Owner and such Owner's Authorized User(s) to use the Basic Club Amenities for a reasonable period of time.

(d) Obligation to Pay Club Fees. The Easement and Cost Sharing Agreement shall provide for payment of certain fees for the benefit of the Club by and through the Association, including, without limitation periodic Community Membership dues applicable to each Lot payable on a monthly, quarterly or annual basis, as the case may be (collectively, "Club Fees"), guest and service fees, and other charges incurred by or on account of any Owner or any Authorized User of the Community Membership all as established by the Club from time to time . The Club shall establish the amount of Club Fees from time to time, subject to increase in any given year or in the event additional facilities are constructed or otherwise acquired in accordance with the Easement and Cost Sharing Agreement; provided, however, initial annual Club Fees for the first Community Membership the years 2020 and 2021 which shall be payable to the Club shall be Nine Hundred and No/100ths

Dollars (\$900.00) may only increase up to five percent (5%) over the amount charged for the previous fiscal year, as provided in the Easement and Cost Sharing Agreement.

The Club Fee shall be paid in monthly, quarterly, or annual installments, at the Members' option and on such dates as may be fixed by the Club and shall be collected by the Club directly, as provided in the Amendment. The monthly installment payments of the Club Fee will be made by Credit Card, Debit Card or bank ACH drafts on file with the Club. Quarterly and annual installment payments may be made in the same manner as the monthly payments or may be made by check payments. Payments made by Credit Card and Debit Card will require a 3% transaction fee surcharge.

Community Members shall also be obligated to a \$60.00 quarterly minimum, for dining, bar services, merchandise, community-wide celebrations and other Club social event costs, in addition to the Club Fee. This amount shall be accounted for and billed by and shall be payable to the Club.

Club Fees shall be payable to and collectable by the Association, or if the limited right is expressly assigned in the Easement and Cost Sharing Agreement, to the Club as provided herein and in the Easement and Cost Sharing Agreement. The Association shall disburse the full amount of the Club Fees to the Club in accordance with the Easement and Cost Sharing Agreement. Any costs payable by the Association under the Easement and Cost Sharing Agreement or otherwise incurred by the Association with respect to the Basic Club Amenities shall be a Common Expense to be allocated among the Lots in the Royal Lakes Subdivision as herein provided The Association shall charge any assessments and charges levied with respect to each Community Membership in the Club as part of the annual assessments due under the Declaration or as a special assessment pursuant to Section 44-3-225 of the Act, as determined by the Board from time to time, and shall collect such amounts concurrently with and in the same manner as collecting the Association's assessments. Notwithstanding anything in the Declaration to the contrary, the Board shall have the power to levy assessments against Lots pursuant to Section 44-3-225 of the Act as, in its discretion, it shall deem appropriate from time to time for expenses and liabilities incurred as provided in the Easement and Cost Sharing Agreement, including, without limitation, (i) by assessing any such amounts benefiting less than all of the Lots equitably among all of the Lots so benefited, as determined by the Board, (ii) by assessing any such amounts occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any such Lot(s) against the Lot(s), the conduct of any occupant, licensee, or invitee

of which occasioned any such amounts, and (iii) by assessing any such amounts disproportionately benefiting all of the Lots equitably among all of the Lots in the Property, as determined by the Board

(e) Exercise of Community Membership Privileges. Community Membership privileges issued pursuant to this Article and the Easement and Cost Sharing Agreement may be exercised by "Authorized Users" of a Community Membership, subject to the Easement and Cost Sharing Agreement, Club Operating Agreement and the rules and regulations of the Club, as amended from time to time. The Easement and Cost Sharing Agreement and the Club Operating Agreement may establish reasonable criteria for "Authorized Users", which may include, without limitation, providing that Authorized Users of a Community Membership are limited to the Owner in whose name the Community Membership is issued as designated by the Owner (the "Member"), the spouse or domestic partner of said Member, as the case may be, and the dependent children of said Member or domestic partner, or the Occupants of the Member's Lot, as the case may be. The Easement and Cost Sharing Agreement may also require that any Owner transfers and assigns to its lessee of a Lot, for the term of the lease, any and all rights and privileges of Community Membership that the Owner has as an Authorized User with respect to the Club.

(f) Change in Ownership. In the event of a change in ownership of the Lot resulting in the Member ceasing to hold an ownership interest in the Lot, the Community Membership shall automatically terminate as to the former Owner, and the new Owner of said Lot shall establish a Community Membership pursuant to the provisions hereof and of the Easement and Cost Sharing Agreement. Changes in the ownership of Lots shall otherwise be subject to the applicable provisions of the Easement and Cost Sharing Agreement and of the Club Operating Agreement regarding transferability of Community Membership, as may be amended from time to time.

(g) Club Procedures and Policies. As a condition precedent to obtaining access to and use of the Basic Club Amenities or other rights and privileges of Community Membership pursuant to any Easement and Cost Sharing Agreement, each Owner shall comply with such procedures and policies as may be adopted by the Club, from time to time, including, without limitation, completion and return of an Authorized User agreement or such other documentation in such form as the Club shall require, identifying each Owner of the Lot, designating the Owner in whose name the Community Membership shall be issued and any Authorized User(s) thereof, and providing such

information regarding the Owner(s) and other Authorized User(s) as the Club deems reasonably necessary to facilitate club operations.

(h) Enforcement; Temporary Suspension of Community Membership Rights. Each Owner shall comply strictly with this Article, the Easement and Cost Sharing Agreement, the Club Operating Agreement, and any rules and regulations and use restrictions promulgated by the Club with regard to the Basic Club Amenities. The Board of Directors of the Association may impose fines or other sanctions for violations of the foregoing, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Article or the Easement and Cost Sharing Agreement shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Club. Failure by the Club or the Association to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. Notwithstanding anything herein to the contrary, in addition to any other rights as the Club or the Association may have under the Declaration or the Easement and Cost Sharing Agreement, the Club shall have the right to suspend any Community Membership rights and privileges granted under the Easement and Cost Sharing Agreement to use the Basic Club Amenities, for any period during which any past due Club Fees or other charges or portion of either remains unpaid to the Association; and for a reasonable period of time for an infraction of this Article, the Easement and Cost Sharing Agreement, the Club Operating Agreement or the rules and regulations of the Club; provided, however, nothing herein shall prevent the Club or the Association from taking any additional disciplinary or enforcement action against an Owner in accordance with the Club Operating Agreement or the Declaration, as the case may be, including, without limitation, fining or suspension; provided further that in no event shall any disciplinary or enforcement action taken against an Owner pursuant to this Article, the Easement and Cost Sharing Agreement, the Club Operating Agreement, or any of them, including without limitation, suspension of use rights, excuse the obligation of an Owner to pay all amounts for which such Owner is obligated to pay hereunder or under the Club Operating Agreement or the Easement and Cost Sharing Agreement. The provisions of this Section shall apply notwithstanding any contrary provisions in this Declaration, the Bylaws, Articles of Incorporation, Easement and Cost Sharing Agreement, rules and regulations, use restrictions and any amendments to any of the foregoing.

(i) Amendment to Easement and Cost Sharing Agreement. The Easement and Cost Sharing Agreement may provide for amendment thereof from time to time or termination thereof upon written agreement by the Association acting by the Board of Directors without a vote of the members of the Association.

7.

The Declaration is hereby further amended by adding to Article XII (entitled "Certain Recreational Facilities which are not Common Property") a new Section 5 to read as follows:

Section 5. No Liability. The Association shall not be liable for and is hereby held harmless from any personal injury or property damage caused by Club members, Authorized Users, Lot Owners, and their respective family, guests and invitees, exercising any rights hereunder or under the Easement and Cost Sharing Agreement.

8.

The Declaration is hereby further amended by adding to Article XII (entitled "Certain Recreational Facilities which are not Common Property") a new Section 6 to read as follows:

Section 6. No Community Membership Interest Established by this Amendment. This Article establishes the right and authority of the Association, acting by and through the Board of Directors, to negotiate and enter into an Easement and Cost Sharing Agreement with the Club under terms and conditions consistent herewith. Nothing in this Article establishes any ownership interest, beneficial interest or other vested interest whatsoever of an Owner in and to the Club or any Basic Club Amenities, including, without limitation, any Community Membership interest. Any Community Membership interest in and to the Club, if any, shall be established by the terms and conditions of the Easement and Cost Sharing Agreement.

9.

The Declaration is hereby further amended by adding to Article XII (entitled "Certain Recreational Facilities which are not Common Property") a new Section 7 to read as follows:

Section 7. Additional Provisions. The Easement and Cost Sharing Agreement may contain such terms, conditions and provisions as are agreed to by the Association, acting by and through the Board of Directors, and the Club, provided that the same are not in conflict with the provisions of this Article.

10.

Unless otherwise defined herein, the words used in this Amendment shall have the same meaning as set forth in the Declaration.

11.

This Amendment shall be effective only upon being recorded in the records of the Clerk of Superior Court of Hall County, Georgia.

12.

Except as herein modified, the Declaration shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed under seal the day and year first above written.

ASSOCIATION:

ROYAL LAKES PROPERTY OWNERS ASSOCIATION, INC.,
A Georgia nonprofit corporation

By: _____

Name: Greg Swinks, President

Print: Greg Swinks

By: _____

Name: Lisa Bullock, Secretary

Print: Lisa Bullock

Signed, sealed, and delivered
in the presence of:

Unofficial Witness

Notary Public

My commission expires: June 11, 2022



EXHIBIT "A"

Sworn Statement and Certification of President of Royal Lakes Property Owners Association, Inc.

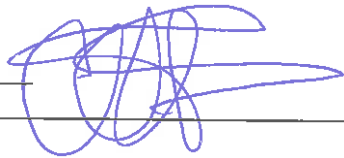
STATE OF GEORGIA
COUNTY OF HALL

Re: Royal Lakes Property Owners Association, Inc.

Personally appeared before me, the undersigned deponent who, being duly sworn, deposed and said on oath that:

1. Deponent is the President of Royal Lakes Owners Association, Inc.
2. Deponent is duly qualified and authorized to make this Affidavit and knows the facts contained herein are of his/her own personal knowledge.
3. The foregoing Third Amendment to the Declaration of Covenants, Conditions, Restrictions, and Easements for Royal Lakes Subdivision was amended with the approval of Owners holding two-thirds (2/3) of the total Association vote as provided by law and the Declaration.
4. That all notices required under the Declaration, Bylaws and Georgia law, including, without limitation, the Georgia Property Owners' Association Act, O.C.G.A. 44-3-220, *et seq.*, were given.
5. Deponent makes this Affidavit pursuant to Article XI, Section 1 of the Declaration and Official Code of Georgia Annotated Section 44-3-226.

This 10 day of March, 2019

Greg Swinks By: 

Sworn to and subscribed
Before me this 10 day of March, 2019


Notary Public

My commission expires: June 11, 2022

